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9th State Senate District

## Testimony Submitted to the Senate Committee on Veterans and Military Affairs, Biotechnology and Financial Institutions Senate Bills 101 and 146

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Thank you Chairman Sullivan and committee members. I'm honored to be able to testify on these important veterans' proposals.

Throughout my time in the legislature, I have enjoyed meeting, supporting, and representing many veterans who reside in the 9<sup>th</sup> State Senate District and I am pleased to author Senate Bills 101 and 146 because of my discussions with these veterans and their families.

The bills before us today are intended to further demonstrate our appreciation for the selfless commitments and sacrifices our servicemen and women and their families have made for our great country. Veterans are extraordinary Americans who step forward to serve and fight for the survival and the strength of our nation.

SB 101 improves the eligibility requirements of the Wisconsin veterans and surviving spouses property tax credit in two ways.

First, SB 101 adds a provision that would grant veterans who meet all other qualifications and have resided in Wisconsin for at least 10 continuous years after entry into active duty service access to this property tax credit.

Currently, only qualified veterans who entered the service while a resident of Wisconsin are eligible to apply for this property tax credit. However, if this eligibility requirement was challenged in court it could be found unconstitutional under U.S. Supreme Court case law.

The state of New York granted benefits specifically to, "veterans of the Armed Forces, who served during [a] time of war, and [who] were New York residents when they entered military service." In *Attorney General of N.Y. v. Soto-Lopez* the U.S. Supreme Court found that that this eligibility requirement violated the Equal Protection Clause of the Fourteenth Amendment to the U.S. Constitution. In this court decision it was concluded, "that the prior resident requirement of the New York civil service veterans' preference laws violates appellees' [veterans'] constitutionally protected right to travel and to equal protection of the law."

The addition of the 10 year residency provision would fix Wisconsin's potentially unconstitutional eligibility requirement.

Second, SB 101 would expand this property tax credit to qualified veterans of all ages. Currently, this benefit is only offered to qualified veterans who are older than 64. With more and more young disabled veterans coming back from overseas missions, expanding this tax credit will help them

be able to afford to continue to reside in Wisconsin. Veterans who step forward and sacrifice their bodies should not have to move out of state because they cannot pay their property taxes.

I am introducing SB 146 to expand Wisconsin's veterans and surviving spouses property tax credit.

Currently, only veterans with a 100 percent service-connected schedular (or combined schedular) disability rating and who are also age 65 or older, and their surviving spouse, are eligible for this tax credit. The Wisconsin Department of Veterans Affairs' (WDVA) 2007-09 agency budget request included a provision that would change this eligibility requirement to 30 percent. This request was not included in Governor's budget proposal. SB 146 strikes a compromise between current law and the WDVA's request by lowering the eligibility requirement to 60 percent.

According to the WDVA in January of this year, 1,057 living veterans in Wisconsin were collecting benefits at a 100 percent service-connected disability rating, thus potentially eligible for collecting this tax credit, and their surviving spouse. Based on WDVA's figures, this proposal would expand the tax credit to a total of 3,627 living veterans and their surviving spouse.

Currently, under this tax credit individual unemployability (IU) is not factored into eligibility requirements because it is not included in the calculation of service-connected disability schedular (or combined schedular) ratings.

This proposal would not directly modify eligibility based upon IU as it relates to this tax credit. However, because qualification for IU requires at least a 60% service-connected disability rating (or 70% if a combined rating), it does include all those veterans who are compensated at the higher rate due to having been determined to be individually unemployable.

I am proud of the benefits we currently provide to our active servicemen and women, our veterans and their families. Supporting SB 101 will bring our veterans' and surviving spouses property tax credit in line with the U.S. Constitution and reaffirm our support for all disabled veterans returning from active duty military service. SB 146 will expand this valuable tax credit to disabled veterans and their surviving spouses who are desperately in need of property tax relief.

I would like to say thank you to the veterans who have traveled to Madison today to listen and present testimony. You fought to give us the freedom we enjoy today. Because of your efforts we are able to be here today to freely and openly discuss issues important to all Wisconsin residents.

Thank you for your service to our state and country. It is an honor representing the residents, veterans and families of the 9<sup>th</sup> District in the State Senate!